

Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 08760 01 OF 03 082021Z
ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00
AID-05 SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02
OMB-01 DOE-15 JUSE-00 /126 W
-----120604 082040Z /41

P 082004Z JUN 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 0624
INFO AMEMBASSY OTTAWA

LIMITED OFFICIAL USE SECTION 01 OF 03 GENEVA 08760

USMTN

PASS STR (STARKEY) AND USDA (SAYLOR)
STR PASS CODEL

E.O. 11652: N/A
TAGS: MTN, ETRD
SUBJECT: US/CANADA AGRICULTURAL BILATERAL, JUNE 5

REF: STATE 135398

1. DELEGATIONS REVIEWED CONDITIONAL U.S. AGRICULTURAL OFFERS TO CANADA. U.S. DEL (KOENIG, KARPOFF) STATED U.S. OFFER, OF WHICH \$70 MILLION IS UNCONDITIONAL AND \$180 MILLION IS CONDITIONAL, COVERS \$250 MILLION OF 1974 TRADE. THIS COMPARES WITH \$287 MILLION OF 1974 U.S. AGRICULTURAL IMPORTS FROM CANADA ON WHICH CANADA ASKED CONCESSIONS. IT WAS POINTED OUT TO THE CANADIAN DEL (GIFFORD, WRIGHT, DOYLE) THAT SOME OF THE CANADIAN NTM REQUESTS WERE A) SECTION 22 DAIRY MATTERS, WHERE NOTHING CAN BE CONSIDERED UNTIL THE WHOLE GATT DAIRY PICTURE FALLS

LIMITED OFFICIAL USE

PAGE 02 GENEVA 08760 01 OF 03 082021Z

INTO PLACE, AND B) FINAL LIST ITEMS. WASHINGTON ACTIONS REQUESTED (SEE PARAGRAPH 7).

2. CANADA IS INTERESTED IN ELIMINATING U.S. POTATO TARIFF QUOTAS, BUT UNABLE TO MAKE APPROPRIATE TARIFF OFFER. (SEE PARA 4 BELOW, SUB-PARA TSUS 137.20). OTHERWISE CANADA DID NOT SEEM TO HAVE HIGH PRIORITY ISSUES OUT-

STANDING ON THE AGENDA OF THIS MEETING. THEY SEEMED PLEASED AT PROGRESS IN LIVE CATTLE HARMONIZATION (ALTHOUGH SOME DISPARITIES REMAIN, NOTABLY BREEDING CATTLE AND DAIRY COWS).

3. CANADA OBSERVED THAT EC WAS BECOMING LESS OPTIMISTIC ABOUT AGRICULTURAL AGREEMENT IN MTN. (SOME U.S. OFFERS TO CANADA ARE CONDITIONED ON EC CONCESSIONS, PARTICULARLY IN CASES WHERE CANADA IS NOT FIRST SUPPLIER.)

4. COMMODITY DISCUSSIONS: (NOT NECESSARILY NUMERICAL ORDER)

100.01 CATTLE FOR BREEDING: CANADA REQUESTS ADMISSION INTO THIS CATEGORY (ZERO DUTY) OF CROSSES AND OTHER ANIMALS OF CLEARLY-RECOGNIZABLE BREEDING CALIBRE, WHICH DO NOT MEET THE SPECIFICATIONS OF THE PRESENT TSUS HEADNOTE, RE HERD-BOOKS. CANADA CLAIMS DISTINCTION BETWEEN BREEDING AND PRODUCTION ANIMALS COULD BE MADE IN THE COURSE OF PREPARING THE HEALTH CERTIFICATES NECESSARY FOR EACH ANIMAL. WASHINGTON ACTION REQUESTED: PLEASE ADVISE IF CONCESSION POSSIBLE.

100.40; 100.43 - LIVE CATTLE UNDER 200 LBS., WITHIN AND IN EXCESS OF QUOTA: CONDITIONS SATISFIED, SO U.S. OFFER WOULD BE TO ELIMINATE TARIFF QUOTA, AND DUTY FOR COMBINED ITEM WOULD BE REDUCED TO LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 08760 01 OF 03 082021Z

1 CENT PER POUND, ACHIEVING HARMONIZATION.

100.45 LIVE CATTLE OVER 200 LBS UNDER 700 LBS: US OFFER TO GO TO 1 CENT LB CONDITIONED ON MATCHING CANADIAN CUT ON 5011, AND A MEXICAN ACTION TO BIND BREEDING CATTLE AT ZERO. CANADIAN CONDITION SATISFIED, MEXICAN REACTION UNKNOWN.

100.53 AND 100.55 - CATTLE OVER 700 LBS, NON-DAIRY, WITHIN AND IN EXCESS OF QUOTA: US OFFER TO CUT TO 1 CENT/POUND AND COMBINE CLASSES (ELIMINATING TARIFF QUOTA) CONDITIONED ON CANADIAN HARMONIZATION AND CANADIAN AGREEMENT NOT TO RESTRICT ENTRY. CONDITIONS ACCEPTED BY CANADA, AND DEEMED BY US TO BE SATISFIED.

107.10 FRESH PORK SAUSAGES: US HAD ASKED RECIPROCITY RE 1001-1, PREPARED AND PRESERVED PORK. WE SAID RECIPROCITY NOT YET GIVEN. CANADA WILL RE-CHECK. (1002, NOT 1001-1, IS PROBABLY THE COMPARABLE CANADIAN SAUSAGE ITEM.) WASHINGTON: PLEASE ADVISE IF RECIPROCITY WAS INTENDED TO

BE TIED TO 1002 OR 1001?

107.20 BEEF SAUSAGES IN AIRTIGHT CONTAINERS: NO US
OFFER, DESPITE CANADIAN REQUEST, BECAUSE CANADA
NOT PRINCIPAL SUPPLIER. SAME APPLIES TO 107.25,
NON-AIRTIGHT CONTAINERS, AS WELL AS SAUSAGES
OTHER THAN PORK OR BEEF.

107.30 PREPARED AND PRESERVED PORK, NOT BONED, NOT
COOKED, NOT IN CANS: US OFFER CONDITIONAL 2
WAYS: (1) CANADA AGREEABLE TO SATISFYING ITS
CONDITION, TO NOT LIMIT U.S. PORK TRADE; (2)
OTHER CONDITION IS ON EC, THAT IT NOT SUBSI-
DIZE EXPORTS OF THIS COMMODITY TO ANY COUNTRY.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 08760 02 OF 03 082028Z
ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00
AID-05 SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02
OMB-01 DOE-15 JUSE-00 /126 W
-----120889 082040Z /41

P 082004Z JUN 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 0625
INFO AMEMBASSY OTTAWA

LIMITED OFFICIAL USE SECTION 02 OF 03 GENEVA 08760

USMTN

PASS STR (STARKEY) AND USDA (SAYLOR)

STR PASS CODEL

EC REACTION UNKNOWN, AND HENCE NO AGREEMENT AT
THIS POINT.

107.6020 BEEF AND VEAL N.E.S. PREPARED; FRESH, CHILLED,
OR FROZEN. THIS IS THE CLASSIC CATEGORY FOR
EVADING THE MEAT IMPORT LAW. CANADA ASKS FULL-
FORMULA CUT FROM PRESENT 10 PERCENT. US DEL NOT
ENCOURAGING.

117.15; 117.20 - CHEDDAR CHEESE, NATURAL AND PROCESSED.
OUR OFFERS ARE TO NEW ZEALAND AND AUSTRALIA AS
FIRST SUPPLIERS, BUT WHAT EMERGES WILL HAVE TO
BE VIEWED IN THE CONTEXT OF A GENERAL DAIRY
SETTLEMENT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 08760 02 OF 03 082028Z

168.46 WHISKEY. NON-AGRICULTURAL.

182.20 BISCUITS, ETC. US RESERVED ON NTM REQUEST TO
ELIMINATE FINAL LIST VALUATION. SAID REQUEST
SEEMINGLY MOOT, HOWEVER, IN VIEW OF US OFFER
TO REDUCE DUTY TO ZERO, CONDITIONAL ON CANADIAN
OFFER ON BISCUITS, ETC., 6500-1 AND 6600-1,
RESPECTIVELY NOT SWEETENED AND SWEETENED. CANA-
DIAN OFFER ON EACH WAS A CUT FROM 12.5 PERCENT
TO 7.5 PERCENT. WASHINGTON ACTION: IS THIS
CUT SUFFICIENT TO MEET THE U.S. CONDITION?

182.35 PASTA-RELATED ITEMS: US OFFER IS CONDITIONED
UPON AN EC ACTION FOR WHICH THE CHANCES ARE
EXCEEDINGLY REMOTE.

184.75 ANIMAL FEEDS AND INGREDIENTS NOT CONTAINING
DAIRY PRODUCTS - SAME AS 182.35.

EX-141.81 EX-OUT OF PREPARED AND PRESERVED POTATOES, AND
CANNED CORN: CONDITIONED ON CANADIAN CUTS ON
LIKE POTATO ITEMS, 9030-1 AND 9032-1. WE
ASKED CUT TO 5 PERCENT, CANADA OFFERS ONLY TO
RETAIN PRESENT "TEMPORARY" 12.5 PERCENT. WE
ASKED CANADA TO IMPROVE OFFER. WASHINGTON
ACTION: WHAT DEPTH OF CANADIAN CUT WOULD BE
ACCEPTABLE? CANADA CONSIDERS THIS ITEM IMPOR-
TANT IN LINKAGE TO TABLE AND SEED POTATOES.

130.10 BARLEY: CONDITIONED ON CANADIAN ACTION ON CORN.
CANADIAN ACTION OUT OF QUESTION.

130.45 OATS: CANADA CAN MEET TARIFF CONDITION (RECI-
PROCITY) FOR OUR OFFER TO GO TO ZERO DUTY, BUT
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 08760 02 OF 03 082028Z

THORNY QUESTION REMAINS RE WHEAT BOARD LICENSING.
WASHINGTON ACTION: CAN YOU RESEARCH SIGNIFI-

CANCE OF LICENSING, AND INSTRUCT US? CANADA
SAYS LICENSING AUTHORITY TO WHEAT BOARD IS
MANDATORY.

130.60 RYE: RESPECTIVE U.S. AND CANADIAN TARIFF
OFFERS MATCH. U.S. NON-RESPONSIVE ON CANADIAN
NTM REQUESTS (ELIMINATE RYE FROM SECTION 22
GATT WAIVER, COMMIT TO GIVE IDENTICAL PRICE
TREATMENT TO CCC SALES FOR EXPORT AND FOR
DOMESTIC USE). WASHINGTON ACTION: IN VIEW OF
LOW PROFILE OF RYE IN ASCS-CCC OPERATION, IS
U.S. NTM POSITION NEGOTIABLE?

130.70 WHEAT FOR HUMAN CONSUMPTION: CANADA HAS NOT
MADE TARIFF OFFER; US HAS DONE SO, CONDITIONED
ON MATCHING CANADIAN CUT. BOTH SIDES HAVE
MECHANISMS FOR QUANTITATIVE CONTROL. PROSPECTS
FOR GETTING TOGETHER NOT BRIGHT.

131.20 CORN, MILLED PRODUCTS OF: US CONDITION FOR
MEETING CANADIAN REQUEST NOT LIKELY TO BE MET.

132.20 MALT: NO CANADIAN MATCHING OFFER, NO DEAL.

132.20 POTATOES WITHIN QUOTA: US OFFER DEPENDS ON CANA-
DA MATCHING OFFER ON US CERTIFIED SEED POTATOES,
WHICH CANADA UNLIKELY TO DO. CANADA VERY
- INTERESTED IN ELIMINATING TARIFF QUOTA, BUT
- WE UNDERSTAND SENSE OF REFTEL AS GUIDANCE TO
- REFRAIN FROM PRESSING FOR ANY SORT OF IMPROVE-
- MENT IN CANADIAN OFFER AS A STEP FOR POTATO
- AGREEMENT.

5. SUBSEQUENT CONVERSATION RE DAIRY COWS, AFTER TSUS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 GENEVA 08760 02 OF 03 082028Z

AGENDA, RESULTED IN EXPRESSION OF CANADIAN INTEREST IN
A U.S. OFFER TO MATCH CANADA'S ZERO DUTY. US DEL EX-
PLAINED WE WANT TO KEEP DAIRY COW DUTY IN LINE WITH OTHER
CATTLE, AND FEEL IT WAS A COMMENDABLE RESTRAINT FOR U.S.
TO HOLD AT EXISTING 0.7 CENTS LB RATHER THAN TO HARMONIZE

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 GENEVA 08760 03 OF 03 082029Z
ACTION STR-07

INFO OCT-01 EUR-12 IO-13 ISO-00 STRE-00 AGRE-00 CEA-01
CIAE-00 COME-00 DODE-00 EB-08 FRB-03 H-01 INR-10
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00
AID-05 SS-15 ITC-01 TRSE-00 ICA-11 SP-02 SOE-02
OMB-01 DOE-15 JUSE-00 /126 W
-----120900 082041Z /41

P 082004Z JUN 78
FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 0626
INFO AMEMBASSY OTTAWA

LIMITED OFFICIAL USE SECTION 03 OF 03 GENEVA 08760

USMTN

PASS STR (STARKEY) AND USDA (SAYLOR)

STR PASS CODEL

WITH OTHER U.S. LIVE CATTLE AT 1 CENT.

6. USDEL REITERATED U.S. SPECIAL INTEREST AND DEEP CONCERN OVER CANADIAN ARTICLE XXVIII EXERCISE, INCLUDING CANNED FRUITS AND COCKTAIL AND CANNED TOMATO PRODUCTS.

7. WASHINGTON INSTRUCTIONS SOUGHT IN PARA 4, SECTIONS 100.01; 107.10; 107.6020; 182.20; EX-141.81; 130.45; AND 130.60.

8. DRAFTED BY KARPOFF. MCDONALD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, TARIFFS, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 08 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA08760
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780240-0261
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780682/aaaacstq.tel
Line Count: 313
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8e33408f-c288-dd11-92da-001cc4696bcc
Office: ACTION STR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 135398
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2442042
Secure: OPEN
Status: NATIVE
Subject: US/CANADA AGRICULTURAL BILATERAL, JUNE 5
TAGS: ETRD, EAGR, US, CA, MTN
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/8e33408f-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014